



PART-YEAR RESIDENTS/NONRESIDENTS/ACTIVE DUTY MILITARY/RESIDENTS WITH OTHER STATE INCOME—SHORT FORM MISSOURI INDIVIDUAL INCOME TAX RETURN **1999** **FORM MO-1040C**

YOUR LAST NAME		FIRST NAME		MIDDLE INITIAL	YOUR SOCIAL SECURITY NUMBER	
SPOUSE'S LAST NAME		FIRST NAME		MIDDLE INITIAL	YOUR SPOUSE'S SOCIAL SECURITY NUMBER	
PRESENT ADDRESS (INCLUDE APT. NO. OR RURAL ROUTE)					COUNTY OF RESIDENCE	SCHOOL DISTRICT NO. (SEE PAGE 21)
CITY, TOWN OR POST OFFICE, STATE AND ZIP CODE						
PLEASE CHECK THE APPROPRIATE BOXES THAT APPLY TO YOU AND YOUR SPOUSE						
<div style="display: flex; justify-content: space-between;"><div>AGE 65 OR OLDER <input type="checkbox"/> YOURSELF <input type="checkbox"/> SPOUSE</div><div>BLIND <input type="checkbox"/> YOURSELF <input type="checkbox"/> SPOUSE</div><div>100% DISABLED <input type="checkbox"/> YOURSELF <input type="checkbox"/> SPOUSE</div><div> </div><div>NON-OBLIGATED SPOUSE <input type="checkbox"/> YOURSELF <input type="checkbox"/> SPOUSE</div><div></div></div>						
INCOME	1. What did you report as your Total Income on your 1999 federal return? Enter Line R from the Worksheet.				1 <div style="display: flex; justify-content: space-between;"><div>Yourself</div><div>Your Spouse</div></div>	
	2. Subtract any state income tax refund included in your 1999 federal income.				2 <div style="display: flex; justify-content: space-between;"><div>—</div><div>—</div></div>	
	3. Subtract Line 2 from Line 1. This is your Missouri Income.				3 <div style="display: flex; justify-content: space-between;"><div>=</div><div>=</div></div>	
	4. TOTAL MISSOURI INCOME. Add both numbers on Line 3 and enter here.				4 <div style="display: flex; justify-content: space-between;"><div></div><div>00</div></div>	
	5. Income percentages: Divide Line 3 by Line 4 for both you and your spouse. (The total of the two must equal 100%. Round to the nearest whole number.)				5 <div style="display: flex; justify-content: space-between;"><div>%</div><div>%</div></div>	
DEDUCTIONS	6. Exemption Amount. If single, enter \$2,100. If married filing a combined return, enter \$4,200. Check your filing status: <input type="checkbox"/> Single—\$2,100 <input type="checkbox"/> Married—\$4,200				6 <div style="display: flex; justify-content: space-between;"><div></div><div>00</div></div>	
	7. What was your federal income tax <div style="border: 1px solid black; padding: 2px;">00</div> Single—maximum of \$5,000 or married—maximum deduction of \$10,000				7 <div style="display: flex; justify-content: space-between;"><div>+</div><div>00</div></div>	
	8. What is your standard or itemized deduction? See back of form for amounts.				8 <div style="display: flex; justify-content: space-between;"><div>+</div><div>00</div></div>	
	9. Enter the total number of dependents you claimed on your federal return and multiply by \$1,200. (Do not include yourself or spouse.) <input type="checkbox"/> x \$1,200				9 <div style="display: flex; justify-content: space-between;"><div>+</div><div>00</div></div>	
	10. Enter the total number of dependents age 65 or older you claimed on your federal return and multiply by \$1,000. (Do not include yourself or spouse.) <input type="checkbox"/> x \$1,000				10 <div style="display: flex; justify-content: space-between;"><div>+</div><div>00</div></div>	
	11. TOTAL DEDUCTIONS. Add Lines 6 through 10 and enter here.				11 <div style="display: flex; justify-content: space-between;"><div>=</div><div>00</div></div>	
ENCLOSE COPY OF W-2(s)/1099-R(s)	12. TOTAL MISSOURI INCOME (Line 4) minus TOTAL DEDUCTIONS (Line 11)				12 <div style="display: flex; justify-content: space-between;"><div></div><div>00</div></div>	
	13. Multiply Line 12 by the percentages you determined in Line 5. Do this for you and your spouse.				13 <div style="display: flex; justify-content: space-between;"><div>Yourself</div><div>Your Spouse</div></div>	
	14. Use the tax table on back of this form to figure the tax on amounts from Line 13 for you and your spouse.				14 <div style="display: flex; justify-content: space-between;"><div></div><div>00</div></div>	
	15. Resident credit (attach Form MO-CR and other state's returns)				15 <div style="display: flex; justify-content: space-between;"><div></div><div>00</div></div>	
	OR					
	16. Missouri income percentage (attach Form MO-NRI and federal return)				16 <div style="display: flex; justify-content: space-between;"><div>%</div><div>%</div></div>	
	17. BALANCE (Resident — subtract Line 15 from Line 14) OR (Missouri Income Percentage — Multiply Line 14 by Line 16)				17 <div style="display: flex; justify-content: space-between;"><div></div><div>00</div></div>	
	18. TOTAL TAXES. Combine your taxes and your spouse's taxes from Line 17.				18 <div style="display: flex; justify-content: space-between;"><div></div><div>00</div></div>	
PAYMENTS/REFUND	19. What is your and your spouse's Missouri withholding? Enter total amount from all Form W-2(s) and Form 1099-R(s).				19 <div style="display: flex; justify-content: space-between;"><div></div><div>00</div></div>	
	20. Did you make any Missouri estimated tax payments for 1999?				20 <div style="display: flex; justify-content: space-between;"><div></div><div>00</div></div>	
	21. TOTAL PAYMENTS. Add Lines 19 and 20 and enter the amount here.				21 <div style="display: flex; justify-content: space-between;"><div></div><div>00</div></div>	
	22. If amount of TOTAL PAYMENTS (Line 21) is larger than amount of TOTAL TAXES (Line 18), enter the difference here. You have overpaid. If not, enter the amount on Line 26.				22 <div style="display: flex; justify-content: space-between;"><div></div><div>00</div></div>	
	23. You may donate part of your refund or contribute additional payments to any or all of the trust funds listed to the right. Please indicate your choices and the amount of your donation for each fund in the appropriate boxes.				23 <div style="display: flex; justify-content: space-between;"><div> 00</div><div> 00</div><div> 00</div><div> 00</div></div>	
MAIL	24. What is the amount from Line 22 you want applied to next year's taxes?				24 <div style="display: flex; justify-content: space-between;"><div></div><div>00</div></div>	
	25. Your REFUND. Line 22 minus Lines 23 and 24. Mail to: Department of Revenue, P.O. Box 500, Jefferson City, MO 65106-0500.				25 <div style="display: flex; justify-content: space-between;"><div></div><div>00</div></div>	
	OR					
26. If Line 21 is less than Line 18, you have an AMOUNT DUE. Mail to: Department of Revenue, P.O. Box 329, Jefferson City, MO 65107-0329.				26 <div style="display: flex; justify-content: space-between;"><div></div><div>00</div></div>		
SIGNATURE	Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief it is true, correct and complete. Declaration of preparer (other than taxpayer) is based on all information of which he/she has any knowledge. As provided in Chapter 143, RSMo, a penalty of up to \$500 shall be imposed on any individual who files a frivolous return.					DOR ONLY
	I authorize the Director of Revenue or delegate to discuss my return and enclosures with the preparer or any member of his/her firm. <input type="checkbox"/> YES <input type="checkbox"/> NO					S E P F <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
	YOUR SIGNATURE		DATE	PREPARER'S SIGNATURE		FEIN, SSN OR PTIN
SPOUSE'S SIGNATURE		DAYTIME TELEPHONE	PREPARER'S ADDRESS AND ZIP CODE		DATE	

STANDARD DEDUCTION AMOUNTS

• Single — \$4,300 • Married Filing A Combined Return — \$7,200

If you or your spouse marked any of the boxes for 65 or older or blind, please see your federal return for your standard deduction amount.

Federal Form	Telefile Tax Record	1040EZ	1040A	1040
Line Number or Amount	J (first box)	\$4,300 or \$7,200	21	36

MISSOURI ITEMIZED DEDUCTIONS

- You will need to use the Line-by-Line Instructions.
- Complete only if you itemize deductions on Federal Form 1040, Schedule A.
- Enclose a copy of pages 1 and 2 of your Federal Form 1040 and Federal Schedule A. If you were *required* to itemize deductions on your federal return, check here ☐. (See instructions.)

1. Total federal itemized deductions from Federal Form 1040, Line 36	1		00
2. 1999 (FICA) — yourself — Social security \$ _____ + Medicare \$ _____	2		00
3. 1999 (FICA) — spouse — Social security \$ _____ + Medicare \$ _____	3		00
4. 1999 Railroad retirement tax — yourself (Tier I and Tier II) \$ _____ Medicare \$ _____	4		00
5. 1999 Railroad retirement tax — spouse (Tier I and Tier II) \$ _____ Medicare \$ _____	5		00
6. 1999 Self-employment tax — yourself \$ _____ Amount from Federal Form 1040, Line 27 \$ _____ Difference	6		00
7. 1999 Self-employment tax — spouse \$ _____ Amount from Federal Form 1040, Line 27 \$ _____ Difference	7		00
8. TOTAL — add Lines 1 through 7	8		00
9. State and local income taxes — Review instructions and worksheet below before completing	9		00
10. Kansas City and St. Louis earnings taxes included in Line 9	10		00
11. Net state income taxes — subtract Line 10 from Line 9 or enter Line 8 from the worksheet below.	11		00
12. MISSOURI ITEMIZED DEDUCTIONS — subtract Line 11 from Line 8 (enter here and on front of form, Line 8)	12		00

NOTE: IF LINE 12 IS LESS THAN YOUR FEDERAL STANDARD DEDUCTION, SEE INSTRUCTIONS.

WORKSHEET FOR LINE 10 — STATE AND LOCAL INCOME TAXES — Complete this worksheet only if your federal adjusted gross income from Federal Form 1040, Line 33 is more than \$126,600 (\$63,300 if married filing separate). If your federal adjusted gross income is less than or equal to these amounts, do not complete this worksheet. See the instructions for the amount to enter in Missouri Itemized Deductions, Line 12, above. Please submit a copy of your Federal Itemized Deduction Worksheet (Page A-6 of Federal Schedule A Instructions).

1. Enter amount from Federal Form 1040, Schedule A, Itemized Deduction Worksheet, Line 3 (see page A-6 of Federal Schedule A instructions). If \$0 or less, enter \$0	1		00
2. Enter amount from Federal Form 1040, Schedule A, Itemized Deduction Worksheet, Line 9 (see page A-6 of Federal Schedule A instructions).	2		00
3. State and local income taxes from Federal Form 1040, Schedule A, Line 5	3		00
4. Kansas City and St. Louis earnings taxes included on Federal Form 1040, Schedule A, Line 5	4		00
5. Subtract Line 4 from Line 3	5		00
6. Divide Line 5 by Line 1	6		%
7. Multiply Line 2 by Line 6	7		00
8. Subtract Line 7 from Line 5. Enter here and on Line 11 above.	8		00

1999 TAX TABLE

If Line 13 is			If Line 13 is			If Line 13 is			If Line 13 is			If Line 13 is			If Line 13 is		
At least	But less than	Your tax is	At least	But less than	Your tax is	At least	But less than	Your tax is	At least	But less than	Your tax is	At least	But less than	Your tax is	At least	But less than	Your tax is
0	100	\$ 0	1,500	1,600	\$ 26	3,000	3,100	62	4,500	4,600	\$109	6,000	6,100	\$167	7,500	7,600	\$238
100	200	2	1,600	1,700	28	3,100	3,200	65	4,600	4,700	113	6,100	6,200	172	7,600	7,700	243
200	300	4	1,700	1,800	30	3,200	3,300	68	4,700	4,800	116	6,200	6,300	176	7,700	7,800	248
300	400	5	1,800	1,900	32	3,300	3,400	71	4,800	4,900	120	6,300	6,400	181	7,800	7,900	253
400	500	7	1,900	2,000	34	3,400	3,500	74	4,900	5,000	123	6,400	6,500	185	7,900	8,000	258
500	600	8	2,000	2,100	36	3,500	3,600	77	5,000	5,100	127	6,500	6,600	190	8,000	8,100	263
600	700	10	2,100	2,200	39	3,600	3,700	80	5,100	5,200	131	6,600	6,700	194	8,100	8,200	268
700	800	11	2,200	2,300	41	3,700	3,800	83	5,200	5,300	135	6,700	6,800	199	8,200	8,300	274
800	900	13	2,300	2,400	44	3,800	3,900	86	5,300	5,400	139	6,800	6,900	203	8,300	8,400	279
900	1,000	14	2,400	2,500	46	3,900	4,000	89	5,400	5,500	143	6,900	7,000	208	8,400	8,500	285
1,000	1,100	16	2,500	2,600	49	4,000	4,100	92	5,500	5,600	147	7,000	7,100	213	8,500	8,600	290
1,100	1,200	18	2,600	2,700	51	4,100	4,200	95	5,600	5,700	151	7,100	7,200	218	8,600	8,700	296
1,200	1,300	20	2,700	2,800	54	4,200	4,300	99	5,700	5,800	155	7,200	7,300	223	8,700	8,800	301
1,300	1,400	22	2,800	2,900	56	4,300	4,400	102	5,800	5,900	159	7,300	7,400	228	8,800	8,900	307
1,400	1,500	24	2,900	3,000	59	4,400	4,500	106	5,900	6,000	163	7,400	7,500	233	8,900	9,000	312

Round To The Nearest Whole Dollar

Example — If Line 13 is \$12,000, the tax would be computed as follows:
 \$315 + \$180 (6% of \$3,000) = **\$495**

9,000 315
 PLUS 6% of excess over \$9,000

Splitting Your Income

Looks like you are ready to go! Do you have a copy of your 1999 federal return? You will need it to complete this section. Complete this section before you begin the Income section of the tax form. The chart provides you with specific line numbers that make it easy for you to locate this information on your federal return. When you have finished this section, take the numbers from Line R and place them on Line 1 of the tax form.

For each type of income, enter the part of the total that is yours in the "Yourself" column and

your spouse's part in the "Your Spouse" column. The following items are special points to keep in mind.

- Income received from jointly held property must be split by each spouse's percentage of ownership in the property.
- Taxable social security benefits must be split between each spouse according to their percentage of gross social security benefits received for the tax year times Line 13b of the Federal Form 1040A or Line 20b of the Federal Form 1040.
- The state tax refund should be split according to your last year's income percentages found on Line 16 of your 1998 Missouri income tax return.

Splitting Your Income for Combined Return	Federal Form 1040EZ Line Number	Federal Form 1040A Line Number	Federal Form 1040 Line Number	Yourself		Your Spouse
A. Wages, salaries, tips, etc.	1	7	7		00	A 00
B. Taxable interest income	2	8a	8a		00	B 00
C. Dividend income	none	9	9		00	C 00
D. State and local income tax refunds	none	none	10		00	D 00
E. Alimony received	none	none	11		00	E 00
F. Business income or (loss)	none	none	12		00	F 00
G. Capital gain or (loss)	none	none	13		00	G 00
H. Other gains or (losses)	none	none	14		00	H 00
I. Taxable IRA distributions	none	10b	15b		00	I 00
J. Taxable pensions and annuities	none	11b	16b		00	J 00
K. Rents, royalties, partnerships, S corporations, trusts, etc.	none	none	17		00	K 00
L. Farm income or (loss)	none	none	18		00	L 00
M. Unemployment compensation	3	12	19		00	M 00
N. Taxable social security benefits	none	13b	20b		00	N 00
O. Other income	none	none	21		00	O 00
P. Total (add Lines 1 through 15)	4	14	22		00	P 00
Q. Less: federal adjustments to income	none	17	32		00	Q 00
R. Federal adjusted gross income (Line P less Line Q) Enter amounts here and on Line 1 of Form MO-1040C	4	18	33		00	R 00

You have just found the answer to Question Number 1 on Form MO-1040C.

Frequently Asked Questions of the Form MO-1040C



How do I know if I am 100% disabled?

You are disabled if you are unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or which has lasted or can be expected to last for a continuous period of not less than 12 months.



Why is the department asking if I'm 100% disabled?

The Missouri Legislature passed a law that requires the department to contact taxpayers who may be eligible to claim a Property Tax Credit (PTC). The department will use the 100% disabled information to contact taxpayers that may be eligible to claim the PTC for real estate tax or rent paid on your home.



Why would I check myself as a non-obligated spouse?

If your spouse owes the state of Missouri any child support payments, back taxes, student loans, etc., you may want to check this box. By doing so, Missouri will not use your portion of any refund to pay those amounts owed by your spouse.

The non-obligated spouse apportionment applies only to state agencies. The Internal Revenue Service is not a state agency and debts owed to the IRS are excluded from the non-obligated spouse apportionment.



What is my total income on my federal return?

Total federal income is your income, plus or minus any federal income adjustments (but not your deductions or exemptions). You can find your total federal income by using the chart below:

Federal Form	Telefile Tax Record	1040EZ	1040A	1040
Line	I	4	18	33

If you and your spouse both had income, use the schedule above to split your income. The tax computed separately is less than the tax computed on your income and your spouse's income combined together.



Why do I have to report my total income if I am a part-year resident or a nonresident? Can't I just start with my Missouri income only?

No, you cannot just start with your Missouri income. You **must begin** the Missouri income tax return with your **total federal income**, even if you have income from a state other than Missouri. Your deductions and exemptions apply to your total income, not just part of it. If you begin with only Missouri source income, your deductions will be too high and you will receive a notice from the department which will slow the processing of your return.



Can I subtract my state tax refund?

Missouri does not consider any state refund taxable. If you *did not itemize* on last year's federal return, enter "0". If you *did itemize* on last year's federal return, you may subtract the state refund amount from your total federal income. You can subtract the state income tax refund that is **included** in your total federal income (**Federal Form 1040, Line 10**). If you claim a subtraction for a state income tax refund, you must enclose a copy of your Federal Form 1040.



How do I figure my income percentage?

Take the income you figured for yourself on Line 3 and divide by the total found on Line 4. Then do the same for your spouse's income on Line 3. The total of the two must equal 100%. (Round to the nearest whole number.)

Yourself Line 3 divided by Line 4 = _____
Your spouse Line 3 divided by Line 4 = _____



What is my federal income tax deduction?

Missouri allows you a deduction for the federal income taxes you paid. The chart below shows you how to figure this deduction from your federal return. Place this number in the first box, but you can only claim a maximum of \$5,000 filing single or \$10,000 filing combined. You must place the lower of these two numbers in the second box. (**Don't use the information from your W-2s for withholding or earned income credit.**)

Federal Form	Telefile Tax Record	1040EZ	1040A	1040
Line	K Box 2 minus L	10 minus 8a	32 minus 37a	49 minus 59a



How do I know if I should take the standard deduction or itemized deduction?

If you claimed the standard deduction on your federal return, you must also claim the standard deduction on your state return. See chart on following page.

Single	Married Filing A Combined Return
\$4,300	\$7,200

But, if you or your spouse marked any of the boxes for 65 or older or blind, please see your federal return for your standard deduction amount.

If you itemized on your federal return, you may want to itemize on your state return or take the standard deduction, whichever results in the higher deduction amount. However, if you were **required** to itemize deductions on your federal return, you must also itemize deductions on your state return. To figure your itemized deductions, please fill out the schedule on the back of the return. **If you itemize deductions on your federal return, you must enclose a copy of Fed. Form 1040, pgs. 1 & 2, and Sched. A.**



How do I figure my dependent deduction?

Multiply \$1,200 by the total number of people you claimed as dependents on your federal return. **Do not include yourself or your spouse.**



Multiply \$1,000 by the total number of people age 65 or older you claimed on your federal return. If dependents receive state funding or Medicaid, they do not qualify. **Do not include yourself or your spouse. Enclose a copy of your federal return (pages 1 and 2).**



How do I figure my tax?

If your Missouri taxable income is less than \$9,000, use the tax table located on the back of the tax form. If the Missouri taxable income is over \$9,000, then subtract \$9,000 from your Missouri taxable income and multiply the difference by 6%. This figure should be added to \$315 and placed on Line 14.

If you have an amount due, you can pay by credit card, regardless of when you file your return. The department accepts Mastercard, Discover and American Express. Call toll-free 1-888-296-6509. A convenience fee will be added to your credit card account.



Should I take a credit or complete the Form MO-NRI?

You can only take a credit or complete the Form MO-NRI. **The same taxpayer cannot do both.** (Your spouse may still take a credit, if you complete Form MO-NRI.) You should take a credit for taxes paid to other states, if you are a Missouri resident and had income from other states. (Complete Form MO-CR and enter the credit amount on Form MO-1040C, Line 15.) If you or your spouse was a part-year resident or a nonresident, figure your Missouri income percentage by completing Form MO-NRI.

If you or your spouse did not have Missouri source income, enter "0" on Form MO-NRI, Part B, Line 1 and on Form MO-1040C, Line 16. If all of your income was from Missouri, enter 100% on Form MO-1040C, Line 16.

Note: Active duty military personnel should complete a Form MO-NRI & Form MO-1040C.



What are estimated tax payments?

Estimated tax is a method used to pay tax on income that is not subject to withholding. This includes income from self-employment, interest, dividends, alimony, rent, capital gains, prizes, awards and some pensions/annuities and Individual Retirement Accounts (IRAs). Quarterly estimated tax payments are due April 15, June 15, Sept. 15 and Jan. 15.



Can I still make a trust fund contribution even though I have a balance due?

Yes, but don't forget to add the amounts contributed to the amount due and provide a separate check. **Note:** The minimum contribution to any trust fund is \$2.00 per taxpayer (\$4.00 if married filing combined).



Why would I want to apply any or all of my refund to next year's taxes?

You may reduce the amount of tax you may have to pay with next year's Missouri return.

Frequently Asked Questions of the Missouri Itemized Deductions



What can I include in my Missouri Itemized Deductions?

You may include the items that are in your federal itemized deductions, except state income tax. You may also include one-half of your self-employment tax and your withholdings for social security tax, Medicare tax and railroad retirement tax reported on your Form W-2(s). However, if your withholding for social security and/or railroad retirement exceed the maximum, the excess amount may not be included. A cultural contribution is provided for an approved literary, musical, scholarly or artistic composition. Monetary contributions do not qualify.



Why do I have to subtract my state taxes from my itemized deductions?

The State of Missouri allows a deduction for the federal tax you pay. The state tax is included in your federal itemized deductions and it cannot be included in your Missouri itemized deductions.



Why should I complete this worksheet?

If your federal adjusted gross income is more than \$126,600 (\$63,300 if married filing separate), your federal itemized deductions were reduced. You should complete the worksheet to be sure you only subtract the amount of state and local tax you were allowed on your federal itemized deductions. Failure to complete the worksheet may result in you paying too much tax.

Line-by-Line Instructions for the Missouri Itemized Deductions

• **You must enclose a copy of your Federal Form 1040 and Federal Schedule A with your Missouri return if you itemize your deductions.**

• **You cannot itemize your deductions if you took the standard deduction on your federal return.**

Line 1 — Federal Itemized Deductions

Enter the amount from Federal Form 1040, Line 36 on Line 1. Include on Line 1 your **approved** cultural contributions (literary, musical, scholastic or artistic) to a tax exempt agency or institution that is operated on a not-for-profit basis. **Cash contributions do not qualify.** Contact the department at (573) 751-5746 to verify your contribution qualifies.

Lines 2 and 3 — Social Security Tax (FICA)

Enter in the first box on Line 2 the social security tax **you** paid in 1999, from the social security tax withheld box on your 1999 Form W-2(s), (not to exceed \$4,501). Enter in the second box on Line 2 the Medicare tax **you** paid in 1999, from the Medicare tax withheld box on your 1999 Form W-2(s). Enter the total of these two boxes on Line 2. Repeat these steps using **your spouse's** information and enter on Line 3.

Lines 4 and 5 — Railroad Retirement Tax

Enter in the first box on Line 4 the railroad retirement tax, Tier I and Tier II, which was withheld from **your** wages during 1999 (not to exceed \$7,132). This amount includes a Tier I maximum of \$4,501 and Tier II maximum of \$2,631. Enter in the second box on Line 4 the Medicare tax **you** paid in 1999. Enter the total of these two boxes on Line 4. Repeat these steps using **your spouse's** information and enter on Line 5.

Note: If a person has both FICA and railroad retirement tax, the maximum deduction allowed is the amount withheld as shown on the Form W-2(s) less, either the amount entered on Federal Form 1040, Line 62, or, if only one employer, the amount refunded by the employer.

Lines 6 and 7 — Self-employment Tax

Enter in the first box on Line 6 the self-employment tax **you** paid in 1999 from the Federal Form 1040, Line 50. Enter in the second box on Line 6, **your** portion of the amount of self-employment tax deducted on Federal Form 1040, Line 27. Subtract the second box from the first box and enter the difference on Line 6. Repeat these steps using **your spouse's** information and enter on Line 7.

Line 8 — Total

Add Lines 1 through 7. Enter the total on Line 8.

Line 9 — State and Local Income Taxes

Enter on Line 9 the amount from your Federal Form 1040, Schedule A, Line 5. However, if your federal adjusted gross income from Federal Form 1040, Line 33 is more than \$126,600 (\$63,300 if married filing separate) complete the Worksheet for Line 9.

Note: The state and local tax you claim on your federal itemized deductions must be subtracted from Missouri itemized deductions. Because at the federal level your itemized deductions are reduced if your income is greater than \$126,600 (\$63,300 if married filing separate), you need to complete this worksheet so you subtract only the amount of state and local tax you were allowed on your federal itemized deductions. **Do not complete Lines 9 and 10.** If you don't complete the worksheet (and you *should* complete it) your Missouri itemized deductions will be lower than they should be, and you'll pay too much tax!

Worksheet, Line 9

Included in the Federal Revenue Reconciliation Act of 1990 was a provision that required individuals with federal adjusted gross income over certain income thresholds to reduce the amount allowable for federal itemized deductions by 3% of the excess over that threshold (26 USC 68). Certain deductions, such as medical expenses, investment interest and casualty, theft or wagering losses are not subject to this reduction. For 1999, the threshold is income over \$126,600 (\$63,300 if married filing separate).

Line 10 — Earnings Taxes

Enter on Line 10 the amount of any Kansas City and St. Louis earnings taxes that are included in Line 9.

Line 11 — Net State Income Taxes

Subtract Line 10 from Line 9 and enter the result on Line 11 or if you completed the Worksheet for Line 9, enter the amount from Line 8 of the Worksheet.

Line 12 — Missouri Itemized Deductions

Subtract Line 11 from Line 8 and enter the result on Line 12, and on front of form, Line 8. If this amount is less than the federal standard deduction (see federal income tax instructions for amount), then you should enter the standard deduction amount on front of form, Line 8, unless you were required to itemize your deductions on your federal return. If you were required to itemize your deductions on your federal return, you must itemize deductions on your Missouri return and enter the amount from Line 12 on the front of the form, Line 8.